

Message Text

UNCLASSIFIED

PAGE 01 BRIDGE 01162 102032Z

44

ACTION EB-07

INFO OCT-01 ARA-10 ISO-00 CAB-05 CIAE-00 COME-00 DODE-00

DOT-00 INR-07 NSAE-00 FAA-00 PM-03 H-02 L-03 NSC-05

PA-02 PRS-01 SP-02 SS-15 USIA-15 AGR-10 AID-05 FRB-01

TRSE-00 XMB-04 OPIC-06 CIEP-02 LAB-04 SIL-01 OMB-01

/112 W

----- 002640

P R 101824Z JUL 75

FM AMEMBASSY BRIDGETOWN

TO SECSTATE WASHDC PRIORITY 9171

AMEMBASSY PORT OF SPAIN

UNCLAS BRIDGETOWN 1162

E.O. 11652: N/A

TAGS: EAIR SC ST

SUBJ: CIVAIR: ROUTES FOR ST. KITTS/ST. LUCIA

REF: (A) STATE 112323 AND PRVIOUS; (B) POS 1280; (C) BTN A-007

(1/24/75)

SUMMARY

IN VIEW OF SMALL SIZE OF MARKETS INVOLVED, LIKELY INSIGNIFICANT IMPACT ON US CARRIERS AND REAL ECONOMIC CONTRIBUTIONS WHICH IMPROVED AIR SERVICES COULD RENDER, EMBASSY RECOMMENDS RECONSIDERATION OF GOSK REQUEST FOR BWIA STOP IN ST. KITTS ON ITS NEW YORK ROUTE. SIMILAR RATIONALE APPLIES IN CASE OF ST. LUCIA ALTHOUGH EXACT IMPACT ON US CARRIER NOT YET DETERMINED. END SUMMARY.

1. EMBASSY APPRECIATES INFO PROVIDED REFTELS RE AIR SERVICES TO ST. KITTS/ST. LUCIA AND AGREES WITH DESIRABILITY OF MAINTAINING PARITY BETWEEN CONCESSIONS GRANTED TO FOREIGN CARRIERS AND BENEFITS RECEIVED FOR US CARRIERS. NEVERTHELESS, SEVERAL FACTORS LEAD US TO CONCLUSION THAT DEPARTMENT SHOULD RECONSIDER MATTER OF UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BRIDGE 01162 102032Z

AIR ROUTES FOR BWIA TO TERRITORIES UNDER REFERENCE, ESPECIALLY

ST. KITTS.

2. BOTH ST. LUCIA AND ST. KITTS ARE TINY, UNDEVELOPED ECONOMIES DEPENDENT LARGELY UPON AGRICULTURE WITH A GREAT DEAL OF TOURIST POTENTIAL. ST. LUCIA ALREADY HAS A RELATIVELY WELL-DEVELOPED TOURIST SECTOR (REFAIR) BUT ST. KITTS IS ONLY GETTING STARTED IN THIS FIELD AND FACES A MAJOR PROBLEM IN ITS INACCESSIBILITY TO NORTH AMERICAN MARKETS. BOTH TERRITORIES HAVE MASSIVE UNEMPLOYMENT PROBLEMS AND HAVE ALREADY EXPERIENCED SOME RUMBLINGS FROM YOUNGER ELEMENTS DISSATISFIED WITH EXISTING SOCIO-ECONOMIC ORDER.

3. ST. LUCIA POSSESSES A SMALL BUT GROWING INDUSTRIAL SECTOR AND REASONABLY GOOD AIR CONNECTIONS, ALTHOUGH PREMIER COMPTON MAINTAINS THAT ADDITION OF BWIA STOP ON US ROUTE WOULD SIGNIFICANTLY ENHANCE ISLAND'S CAPABILITY TO CATER TO US MARKET. IF BWIA STOP-OVER WOULD NOT SERIOUSLY UNDERCUT EAL OPERATIONS THERE, IT MIGHT BE A FACTOR IN REVERSING WHAT HAS BEEN A POOR YEAR FOR TOURISM.

4. ST. KITTS' ECONOMIC SITUATION IS MORE SERIOUS. ISLAND IS ALMOST TOTALLY DEPENDENT ON SUGAR WITH MINUSCULE MANUFACTURING SECTOR. HIGH SUGAR PRICES HAVE ENABLED ST. KITTS TO REMAIN RELATIVELY SOLVENT OVER PAST YEAR, BUT PRICES HAVE FALLEN RECENTLY AND LONGER TERM OUTLOOK IS UNCLEAR. ISLAND IS POPULAR WITH TOURISTS BUT POOR AIR CONNECTIONS, ESPECIALLY NECESSITY OF CHANGING PLANES IN ANTIGUA AND ELSEWHERE, PREVENT ST. KITTS FROM REALIZING ANY SIGNIFICANT GAINS FROM TOURISM. ST. KITTS RECENTLY COMPLETED EXTENSIVE RENOVATION PROGRAM TO PERMIT GOLDEN ROCK AIRPORT TO ACCOMMODATE JET AIRCRAFT BUT SO FAR GOSK HAS BEEN UNSUCCESSFUL IN OBTAINING FIRMER AIR LINKS WITH OUTSIDE WORLD. WE APPRECIATE FACT THAT BWIA COULD INCLUDE ST. KITTS ON ITS MIAMI ROUTE BUT SUCH OPERATION WOULD OBVIOUSLY BE MUCH LESS DESIRABLE FOR TOURIST TRADE THAN ROUTE INCLUDING NEW YORK.

5. AS MENTIONED PREVIOUSLY, EASTERN HAS INFORMED EMBASSY THAT IT HAS NO DESIRE TO OPERATE FORMER CARIBWEST ROUTE IT NOW HAS WHICH INCLUDES ST. KITTS. IN VIEW OF FACT THAT NO AMERICAN CARRIER WISHES TO COMPETE ON THIS ROUTE AND THAT BWIA SERVICE WOULD RENDER SALUTORY POSITIVE CONTRIBUTION TO ST. KITTS' HARDPRESSED ECONOMY, EMBASSY RECOMMENDS RECONSIDERATION OF BWIA DESIRE TO SERVE ST. KITTS. IT SEEMS TO US THAT IF DEPARTMENT HAS DOUBTS

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BRIDGE 01162 102032Z

AS TO OVERALL MARKET VALUE OF ST. KITTS STOP TO BWIA, ARRANGEMENTS COULD BE MADE ON TEMPORARY BASIS TO PERMIT ACCUMULATION OF DATA FOR PERMANENT DECISION.

6. AS DEPARTMENT AWARE, BOTH BRITAIN AND CANADA HAVE SUBSTANTIAL BILATERAL AND REGIONAL AID PROGRAMS TO THESE ISLANDS SUPPLEMENTING US REGIONAL EFFORTS THROUGH CDB, UWI, ETC. ALL OF THESE PROGRAMS ARE OF SUBSTANTIAL VALUE TO CARIBBEAN ISLAND STATES BUT

THEY ARE NOT SUFFICIENT TO ENABLE THEM TO OVERCOME MASSIVE ECONOMIC PROBLEMS THEY FACE. ADDITIONAL EFFORTS ENABLING THESE STATES TO STRENGTHEN THEMSELVES THROUGH TRADE AND TOURISM WOULD HELP US TO ACHIEVE OUR OBJECTIVE OF A STABLE, FRIENDLY COMMUNITY OF CARIBBEAN STATES REQUIRING A MINIMUM AMOUNT OF EXTERNAL ASSISTANCE TO SATISFY THEIR POPULATIONS. IT SEEMS TO US THAT EXTENSION OF ST. KITTS AND POSSIBLY ST. LUCIA TRAFFIC RIGHTS TO BWIA WOULD BE ONE MEANS OF DOING THIS. WE UNDERSTAND NEED FOR RECIPROCITY SO ABLY DESCRIBED IN REFTTEL; HOWEVER, DIMINUTIVE NATURE OF MARKETS INVOLVED AND THEIR ECONOMIC NEED LEAD US TO CONCLUDE THAT OUR LONGER TERM INTEREST WOULD BE BEST SERVED BY ENABLING THEM TO HELP THEMSELVES IN TOURIST INDUSTRY.
BRITTON

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CIVIL AVIATION, AIR ROUTE APPLICATIONS, AIRLINES
Control Number: n/a
Copy: SINGLE
Draft Date: 10 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BRIDGE01162
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750238-1152
From: BRIDGETOWN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750766/aaaacgur.tel
Line Count: 128
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 STATE 112323
Review Action: RELEASED, APPROVED
Review Authority: MartinML
Review Comment: n/a
Review Content Flags:
Review Date: 09 JAN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 JAN 2003 by ThomasVJ>; APPROVED <10 MAR 2004 by MartinML>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR: ROUTES FOR ST. KITTS/ST. LUCIA
TAGS: EAIR, SC, ST, BWIA
To: STATE PORT OF SPAIN
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006